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~~1999 Oct.~~

DEPARTMENT OF LIVESTOCK

Montana State Library



MARC RACOT, GOVERNOR

STATE OF MONTANA

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BEFORE THE BOARD OF MILK CONTROL OF THE STATE OF MONTANA ANNOUNCEMENT OF CLASS I, II & III PRODUCER PRICES

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12:01 a.m.

PRODUCER CLASS I PRICE IN MONTANA

REF: ARM 32.24.301(3)

CLASS I PRICE FOR MILK TESTING 3.5%

\$18.81 /CWT

EFFECTIVE NOVEMBER 1, 1999:

The minimum price to pay milk producers, under ARM 32.24.301, is \$18.81 per hundred pounds of milk testing 3.5% butterfat, f.o.b. the milk distributor's plant.

When milk does not test 3.5% butterfat, compute the applicable price by applying a differential of fourteen cents for each one-tenth of one percent butterfat above or below the midpoint of each producer payment. The value of one pound of butterfat utilized will be \$1.40.

CLASS I BUTTERFAT PRICE PER POUND

\$1.40 /LB

PRODUCER CLASS II PRICE IN MONTANA

REF: ARM 32.24.301(4)

CLASS II PRICE FOR MILK TESTING 3.5%

\$12.57 /CWT

Average spray process dry milk solids

price per pound	=	\$1.06000
Multipled by 8.2	x	8.2

CRIME DOCUMENTS COLLECTION

1515 E. CHAMBERS

HELENA, MONTANA 59601

\$8.69200

PLUS +

Last quote of the month for Grade AA butter	\$1.20050
minus a differential of \$.0895	
Multipled by 4.2	x
	4.2

\$5.04210

+ \$5.04210

LESS 8.5% (\$13.73410 X .085)

\$13.73410

- \$1.16740

\$12.56670

Rounded to the nearest whole cent = \$12.57 /hundredweight

PLEASE RETURN

CLASS II BUTTERFAT PRICE PER POUND \$1.35 /LB

Butterfat differential	\$1.20050 X .111)	=	\$0.13326
Rounded to the nearest half cent		=	\$0.135

CLASS II VALUE OF ONE POUND OF SKIM 0.081295337 /LB

Butterfat value per pound for milk at 3.5% test:	\$1.35		
Hundredweight price of milk testing 3.5% LESS 3.5 pounds of butterfat at	\$1.35 per pound	=	\$12.57
Value of 96.5 pounds of skim		=	<u>\$4.725</u>
Value of one pound of skim	7.845 / 96.5 pounds)	=	\$7.845
		=	\$0.08130 /LB

PRODUCER CLASS III PRICE IN MONTANA

REF: ARM 32.24.301(5)

CLASS III BUTTERFAT PRICE PER POUND \$1.08 /LB

Last quote of the month for Grade AA butter		
minus a difference of \$0.0895	=	\$1.20050
LESS 10%		<u>\$0.12005</u>
		\$1.08045

Rounded to the nearest whole cent	\$1.08 per pound.
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CLASS III PRICE PER CWT FOR SKIM MILK UTILIZED 7.21436 /CWT

Avg. spray process dry milk solid price/lb	\$1.06000
Multiplied by 8.2	<u>8.2</u>
	\$8.69200
LESS 17%	<u>\$1.47764</u>
	\$7.21436

Rounded to the nearest whole cent	\$7.21 per hundredweight.
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CLASS III PRICE PER CWT FOR MILK TESTING 3.5% \$10.74 /CWT

3.5 pounds of butterfat	\$1.08 per pound =	\$3.780
96.5 pounds of skim	\$0.07214 per pound =	<u>\$6.962</u>
		\$10.742 /CWT

BY ORDER OF THE MONTANA MILK CONTROL BUREAU

Compiled by: Marilyn M. Koontz
 Marilyn M. Koontz, Program Specialist
 Montana Milk Control Bureau

BREAKDOWN BY TEST FOR CLASS I, II & III SKIM PRICES

CLASS I SKIM PRICE BASED ON \$18.81 FOR 3.5% MILK 96.5 LBS = \$13.910		CLASS II SKIM PRICE BASED ON \$12.57 FOR 3.5% MILK 96.5 LBS = \$7.845		CLASS III SKIM PRICE BASED ON \$10.74 FOR 3.5% MILK 96.5 LBS = \$6.962	
TEST	PRICE/LB	TEST	PRICE/LB	TEST	PRICE/LB
2.50	\$0.14267	2.50	\$0.08046	2.50	\$0.07140
2.55	\$0.14274	2.55	\$0.08050	2.55	\$0.07144
2.60	\$0.14281	2.60	\$0.08054	2.60	\$0.07147
2.65	\$0.14289	2.65	\$0.08059	2.65	\$0.07151
2.70	\$0.14296	2.70	\$0.08063	2.70	\$0.07155
2.75	\$0.14303	2.75	\$0.08067	2.75	\$0.07158
2.80	\$0.14311	2.80	\$0.08071	2.80	\$0.07162
2.85	\$0.14318	2.85	\$0.08075	2.85	\$0.07166
2.90	\$0.14325	2.90	\$0.08079	2.90	\$0.07169
2.95	\$0.14333	2.95	\$0.08083	2.95	\$0.07173
3.00	\$0.14340	3.00	\$0.08088	3.00	\$0.07177
3.05	\$0.14348	3.05	\$0.08092	3.05	\$0.07181
3.10	\$0.14355	3.10	\$0.08096	3.10	\$0.07184
3.15	\$0.14362	3.15	\$0.08100	3.15	\$0.07188
3.20	\$0.14370	3.20	\$0.08104	3.20	\$0.07192
3.25	\$0.14377	3.25	\$0.08109	3.25	\$0.07195
3.30	\$0.14385	3.30	\$0.08113	3.30	\$0.07199
3.35	\$0.14392	3.35	\$0.08117	3.35	\$0.07203
3.40	\$0.14400	3.40	\$0.08121	3.40	\$0.07207
3.45	\$0.14407	3.45	\$0.08125	3.45	\$0.07210
3.50	\$0.14415	3.50	\$0.08130	3.50	\$0.07214
3.55	\$0.14422	3.55	\$0.08134	3.55	\$0.07218
3.60	\$0.14429	3.60	\$0.08138	3.60	\$0.07221
3.65	\$0.14437	3.65	\$0.08142	3.65	\$0.07225
3.70	\$0.14444	3.70	\$0.08146	3.70	\$0.07229
3.75	\$0.14452	3.75	\$0.08151	3.75	\$0.07233
3.80	\$0.14459	3.80	\$0.08155	3.80	\$0.07236
3.85	\$0.14467	3.85	\$0.08159	3.85	\$0.07240
3.90	\$0.14475	3.90	\$0.08163	3.90	\$0.07244
3.95	\$0.14482	3.95	\$0.08168	3.95	\$0.07248
4.00	\$0.14490	4.00	\$0.08172	4.00	\$0.07252
4.05	\$0.14497	4.05	\$0.08176	4.05	\$0.07255
4.10	\$0.14505	4.10	\$0.08180	4.10	\$0.07259
4.15	\$0.14512	4.15	\$0.08185	4.15	\$0.07263
4.20	\$0.14520	4.20	\$0.08189	4.20	\$0.07267
4.25	\$0.14527	4.25	\$0.08193	4.25	\$0.07271
4.30	\$0.14535	4.30	\$0.08197	4.30	\$0.07274
4.35	\$0.14543	4.35	\$0.08202	4.35	\$0.07278
4.40	\$0.14550	4.40	\$0.08206	4.40	\$0.07282
4.45	\$0.14558	4.45	\$0.08210	4.45	\$0.07286
4.50	\$0.14565	4.50	\$0.08215	4.50	\$0.07290

PRODUCER CLASS I PRICE IN MONTANA

Charts below show a class I price comparison for 1998 and 1999

Statistics from the Montana Milk Control Bureau

Month	1998	1999	Difference	% Change
January	\$15.51	\$19.39	\$3.88	25.02%
February	\$15.84	\$19.89	\$4.05	25.57%
March	\$15.80	\$18.82	\$3.02	19.11%
April	\$15.87	\$12.82	(\$3.05)	-19.22%
May	\$15.36	\$14.17	(\$1.19)	-7.75%
June	\$14.56	\$14.36	(\$0.20)	-1.37%
July	\$13.43	\$13.81	\$0.38	2.83%
August	\$15.65	\$13.97	(\$1.68)	-10.73%
September	\$17.32	\$16.14	(\$1.18)	-6.81%
October	\$17.54	\$18.34	\$0.80	4.56%
November	\$17.65	\$18.81	\$1.16	6.57%
December	<u>\$18.59</u>			
Average	\$16.09	\$16.41	\$0.54	3.43%

Prices are per hundredweight (CWT).

